

INSTRUCTIONS FOR PREPARING THE EMPLOYER'S ANNUAL RECONCILIATION OF WISCONSIN INCOME TAX WITHHELD FROM WAGES

FILE YOUR WT-7 AND W-2s ELECTRONICALLY at www.revenue.wi.gov/html/with.html.

- It is quick, easy, and safe.
- You receive a confirmation that the department received your WT-7.
- You can pay the amount due electronically.
- Filing electronically saves you time and money.

IMPORTANT

Employers and preparers must use their 15-digit Wisconsin Withholding Tax Account Number on their Forms W-2.

WHO MUST FILE A RECONCILIATION

Every employer who has withheld Wisconsin income tax from wages and every employer who is registered with an active Wisconsin Withholding Tax Account Number must file an Employer's Annual Reconciliation of Wisconsin Income Tax Withheld From Wages (Form WT-7) and employee withholding statements (Forms W-2, 1099-R, W-2G, etc.).

DUE DATE

Active employers and other payers must file a reconciliation with copies of withholding statements on or before January 31 of the year following the year covered by the reconciliation. **Please note that the due date for Wisconsin is earlier than the federal due date for similar reports.**

Employers who have discontinued business must file a reconciliation and wage statements within 30 days after discontinuing business. Place a check mark in the bracket to the left of the text that reads "Check if business discontinued" and enter the discontinuation date on the line below. Indicate the reason for discontinuation on the back of the form.

Employers who no longer have any employees subject to withholding must file a reconciliation and wage statements within 30 days after discontinuing withholding if account inactivation is requested, or by January 31 as set forth above, if the employer desires to keep the account active.

EXTENSION OF DUE DATE

Upon request by an employer, the department may grant an extension of 30 days in which to file the reconciliation and wage statements. **There is no extension for the payment of any amount due on Form WT-7.**

Extensions must be requested in writing to the Wisconsin Department of Revenue, Mail Stop 3-80, PO Box 8902, Madison WI 53708-8902, via e-mail at dorregistration@revenue.wi.gov, or through *My Tax Account* on or before the due date of the Form WT-7.

REVIEWING THE RECONCILIATION

If you do not receive a pre-printed Form WT-7, you should use the electronic fill-in form available on our web site at www.revenue.wi.gov/forms/with/index.html or use one of our electronic filing options for Form WT-7 at <http://www.revenue.wi.gov/html/with.html>. It is important to use either an electronic filing option, the fill-in form, or a pre-printed Form WT-7 since the Department of Revenue uses electronic processing for Form WT-7.

If you receive a preprinted Form WT-7, please examine the account information. **If any of the information is incorrect, place a check mark in the bracket in the upper right of the form that applies to the change.** On the back of the Form WT-7, enter the correct information. If changes in your business required you to obtain a new Federal Employer Identification Number, you may also need to obtain a new Wisconsin Withholding Tax Account Number. Please contact the Department of Revenue (608) 266-2776 for further assistance.

PREPARING WAGE STATEMENTS

The Department of Revenue requests that employers NOT use carbon copied Forms W-2 including NCR. Carbon and NCR copied Forms W-2 do not scan well. The preferred format for a W-2 is the IRS approved format visible on the IRS web page: www.irs.gov.

All wage statement copies, including those sent to employees, need to:

1. Be legible
2. Include the 15-digit Wisconsin Withholding Tax Account Number
3. Include the amount of Wisconsin tax withheld
4. List the state of withholding as Wisconsin
5. List the employer's name
6. List the name and social security number of the employee.

DO NOT alter a wage statement in any way.

SEVERE PENALTIES MAY BE IMPOSED FOR FAILURE TO WITHHOLD, ACCOUNT FOR, OR PAY WISCONSIN WITHHOLDING TAX.

WHAT MUST ACCOMPANY THE RECONCILIATION

Be sure to enclose copies of the wage and tax statements (Form W-2) for each employee you have paid wages, salaries, bonuses, and/or commissions. Also include information returns (Forms 1099-R, 1099-MISC, and W-2G) for each payee from whom you withheld Wisconsin income tax from annuities, pensions, retirement pay, or other nonwage compensation. An adding machine tape or other listing of the amounts withheld, as shown on the wage and tax statements and/or information returns, should be included. Trim all Forms W-2 and other information returns to the original size.

COMPLETING THE RECONCILIATION

Complete the reconciliation form and prepare your wage statements as explained on this instruction sheet. Sign and date your reconciliation and mail with the necessary enclosures to: Wisconsin Department of Revenue.

IF NO TAX DUE – PO BOX 8920
MADISON WI 53708-8920

IF REFUND OR TAX DUE – PO BOX 8981
MADISON WI 53708-8981

Please type, or print legibly. Use decimal points and cents. For example the correct way to write one dollar is 1.00.

HOW TO CORRECT ERRORS ON A SUBMITTED RECONCILIATION

If an error was made on a filed reconciliation, file another reconciliation with the correct information, and place a check mark in the bracket for amended returns in the upper right of the form. Enclose an explanation of the reason for the change. If errors were made on wage statements file corrected statements for only those containing errors. Write "Corrected by Employer" on the W-2 and **enclose an explanation of the changes made**. Mail the corrected forms to:

Wisconsin Department of Revenue
Mail Stop 3-14
PO Box 8981
Madison WI 53708-8981

If it is necessary to correct any wage statements, be sure to furnish corrected copies of the statements to the employees involved and advise them to file the corrected copies with their income tax returns.

ELECTRONIC FILING FOR WISCONSIN

We no longer accept magnetic media for filing W-2s and 1099s. Persons required to file federal wage statements and information returns via Electronic Transmission with the Internal Revenue Service (IRS) or Social Security Administration, must file comparable forms in the same manner with the Department of Revenue. The Department of Revenue electronic file transfer site is available at www.revenue.wi.gov/eserv/w-2.html. Also, see Publication 509, *Filing Wage Statements and Information Returns Electronically* at <http://www.revenue.wi.gov/pubs/pb509.pdf>.

E-mail W2data@revenue.wi.gov if you have questions.

Mail requests for electronic specifications; copies of IRS approvals for participation in the Combined Federal/State Filing Program; requests for waivers from filing forms electronically; and requests for extensions of time to file forms electronically to:

Wisconsin Department of Revenue
Attention: W-2 Coordinator
Mail Stop 5-144
PO Box 8906
Madison WI 53708-8906

LINE INSTRUCTIONS

LINE 1 Enter the total number of W-2's enclosed with this reconciliation or reported electronically.

LINE 2 Enter the total number of other wage statements (Forms 1099R, W-2G, etc.) enclosed with this reconciliation or reported electronically.

LINE 3 Line 1 plus Line 2.

LINE 4 Enter the total amount of Wisconsin income tax withheld from wages as shown on the W-2, 1099R and W-2G statements accompanying this reconciliation or reported electronically. If the wage statements are submitted in paper format, an adding machine tape listing the amount of Wisconsin tax withheld on each W-2 should be included with the WT-7.

LINE 5 Enter the amount of Wisconsin income tax withheld as shown on your payroll records. Show the four quarters on lines 5a, 5b, 5c, and 5d respectively, and the total on line 5e. DO NOT include amounts withheld for payment (garnishment/certification) of an employee's DELINQUENT taxes. See *Wisconsin Employer's Withholding Tax Guide* (Publication 166).

LINE 6 Enter the amount shown on line 4 or line 5e. If lines 4 and 5e are not equal, enter the larger of the two amounts.

LINE 7 Enter the total amount of withholding tax reported on deposit reports (Form WT-6 or EFT records) for the calendar year covered by the reconciliation. If you file on an annual basis, enter zero (0) and remit withheld amounts with this reconciliation. DO NOT include amounts withheld for payment (garnishment/certification) of an employee's DELINQUENT taxes.

LINE 8 If the total tax withheld (line 6) is more than the total tax paid (line 7), enter the amount of TAX DUE on line 8. Pay the amount due in full with this reconciliation to the Wisconsin Department of Revenue.

LINE 9 If the total tax paid (line 7) is more than the total tax withheld (line 6), enter the OVERPAID amount on this line. DO NOT take credit for the overpayment on subsequent deposit reports. The overpayment will be refunded to you upon verification.